

**CHARTER COMMISSION
CITY AND COUNTY OF HONOLULU**

**TUESDAY, MARCH 28, 2006
KAPOLEI HALE
1000 Uluohia Street, Kapolei, Hawaii 96707
6:00 p.m.**

MINUTES

Charter Commission Members Present:

Donn Takaki
Jeff Mikulina
Jerry Coffee
E. Gordon Grau
Amy Hirano
Jim Myers
James Pacopac
Darolyn Lendio – Late 6:15p.m.
Stephen Meder – Late 6:27p.m.
Malcolm Tom – Late 6:36p.m.

Charter Commission Members Excused:

Jared Kawashima
Jan Sullivan
Andy Chang

Others Present:

Chuck Narikiyo, Executive Administrator, Charter Commission
Dawn Spurlin, Deputy Corporation Counsel, Department of Corporation Counsel
Loretta Ho, Secretary, Charter Commission
Nicole Love, Researcher, Charter Commission

1. Call to Order

Chair Takaki called the Community Meeting to order at 6:13p.m. on Tuesday, March 28, 2006 at Kapolei Hale. Chair Takaki went over housekeeping rules and stated that testimony will be limited at five minutes per category, as set forth on the agenda and not per individual item. The testimony must be related to the agenda.

2. Executive Administrator's Report

Executive Administrator Narikiyo gave a brief history of the City Charter, the Charter Commission and its process.

Executive Administrator Narikiyo stated this month and next month the Commission is holding public informational briefings intended to get additional input from citizens. He went on to say during the months of April and May; proposals would be selected for the ballot for the 2006 electorate and would be going through a rigorous legal drafting and review process through the summer. Executive Administrator Narikiyo advised during the fall the final stage of the Commission's work before the election would be voter education and publicity.

Executive Administrator Narikiyo advised the public because the Commission's meeting is normally held in town at Honolulu Hale, the Commission is there to solicit input from communities and the public who may not be able to attend those meetings. He noted the Commission has an open and accessible process and wants to allow everyone an opportunity to voice his or her concerns and ideas for improving the city.

Chair Takaki asked for public testimony.

Mr. William Woods-Bateman testified in response to the Executive Administrator's report. He stated he requested at the last meeting in Kailua that the future agenda be called a public hearing, to put the titles of the proposals and a short briefing so everyone knows it is impacting proposed amendments and it is a real distinction in terms the public understanding of hearing and hearing notices. He noted he requested an opinion from OIP on the filed agenda and their opinion is that it was okay the way the Charter Commission did the agenda and the word "hearing" is not a requirement of the law evidently. He asked that the future agenda to be clearer to the public to be called a hearing.

Commissioner Mikulina asked Executive Administrator Narikiyo why the change wasn't made? Executive Administrator Narikiyo responded they did change the agenda this time and called it "meeting" instead of "briefing", which they used for the Kailua Public meeting. He commented that he's not sure if the word "meeting" is okay with Mr. Woods. Executive Administrator Narikiyo stated he did not use the words "Public Hearing" because there may be certain other requirements that may be attached and feels there is no significance to particular words but apparently there are some other requirements that may be applicable if they label something "Public Hearing." He went on to say in the agenda it says expressly, "the Public may provide testimony regarding any proposals." He clarified it is neither his nor the Commission's intent to preclude anyone from participating. Mr. Woods responded that Mr. Narikiyo understands the OIP and Sunshine Law specifically requires that every agenda item at any public meeting there is the right to testify so there is not any particular meaning for making this particular meeting special. He commented he doesn't know how the public would know that these meetings are special. He went on to say he takes these meetings in the highest regard and his diligence to attend and participate is his own personal commitment to being a citizen but not everyone does that. Mr. Woods commented this Commission has created one of the best processes and when issues came up early, they've done more and more to expose the public through outreach, the electronic responses have been great and their minutes have been great but thinks they could go a step further to try to get the public to show up at the meeting. He went on to say he knows a lot of people are concerned about it but don't know what is happening. He stated he saw one article in the paper, the Monday before last that conveyed what the purpose this meeting was. It was called an Informational Briefing and not a hearing and is concerned if the public understands that.

Commissioner Coffee commented taking the term literally the Commission is there to gathering to hear public testimony and if so he tends to see Mr. Woods logic and would like to make a motion to change the terminology if it's going to work.

Commissioner Lendio responded she believes regarding "Public Hearing" as meaning action items on the agenda and at a "Public Hearing" action is supposed to be taken. They are not there to take any action, they are there to take testimony from the public. So it is different from a "Public Hearing" forum where in the many public hearings they've had prior to this being they did have action items and they took action on proposals before them. She went on to say while it may be a game of semantics, she thinks as a legal matter there is a difference between a "Public Hearing" and an "Informational Briefing" or "Informational Meeting" would take testimony from the public. Commissioner Lendio commented it has been her experience being on the prior Charter Commission, that no matter how much they try to do outreach, and she's also done this as a Police Commissioner, she still remembers the meeting in Ewa from the last Charter Commission where only two people showed up. She stated they advertised it on television, they advertised in the newspaper as this Commission has done with this meeting. This Commission has also advertised through their website and electronically. Unfortunately the Commissioners are giving up their time to be there because they feel it is important as well as the public who is present. She went on to say it's unfortunate there aren't more because they really would like to hear more on the remaining proposals.

Glenn Oamilda testified he takes issue that the meeting was a real public forum or just an informal gathering on how they are going to change the Charter. He stated he is concerned about whether the Commissioner take it to heart that they are volunteers, he is also a volunteer in his community and is concerned about his community. He went on to say if they are going to take it lightly and brush it aside like it's no big deal, there are a lot of problems need to be dealt with and that's why he is there. Mr. Oamilda stated he thought it was an informal gathering where they give their insights and then the Commission takes it to heart of whatever comes about. He noted their Community has big problems and they are concerned. He went on to say he came with no written testimony, but just to have an oversight of what was going on and he feels with all the issues going on it's a real shame it hasn't come out the way the community wants to come out and feels there may be a miscommunication or a communication breakdown. Mr. Oamilda commented they might need to revisit this and try to establish communication in the communities.

Chair Takaki responded the Commission has taken numerous steps over the last year and a half to do as much public outreach as possible and to consider as many ideas as possible and they are continuing that process tonight.

Chair Takaki stated he would like to return to the agenda. He is going to use his discretion to allow one speaker 2 minutes. Mr. Lawrence Ebel regarding one of the matters the Commission considered but decided not to move forward with. He stated in the spirit of openness and public participation he'll allow two minutes on this one item.

The following individuals testified on defeated proposals:

1. Lawrence Ebel (26 & 65)

Mr. Lawrence G. Ebel testified on Proposal 26 and 65, which previously failed. He stated since Proposal 26 and 65 failed a Charter Amendment petition is being circulated throughout Oahu to allow an amendment to the City Charter. He commented 45,000 ballot signatures are necessary and they are in the process of collecting them, Robert Kessler and Paul Smith welcome any and all help. Contact information 922-6188 or 524-2436, mailing address 350 Ward Avenue, #106-364, Honolulu, Hawaii 96814, e-mail: lethonoluluvote@aol.com, website: lethonoluluvote.org. He noted he had a sample petition and advised the Commissioners that they are trying to override their good work. Mr. Ebel stated they want to have input on these taxes and this would amend the City Charter, which would allow them to put Propositions on the ballot. He noted it's important to a lot of people.

3. Public Input on Proposals:

DISCUSSION:

A. Departments and Personnel

PROPOSAL 27 - Liquor Commission and Civil Service; Exempt Liquor Control Administrator and Deputy Administrator from civil service.

PROPOSAL 33 - Department of Emergency Services; Revise the Powers, Duties and Functions of the Director and the Department.

PROPOSAL 35 - Department of Information Technology; Revise the Powers, Duties and Functions of the Director.

PROPOSAL 36 - Fire Chief; Revise the Powers, Duties and Functions of the Fire Chief and the Fire Department.

PROPOSAL 45 - Board of Water Supply; Amend qualifications of Board Members.

PROPOSAL 49 - Office of Council Services; To authorize the attorneys in the Office of Council Services to serve as legal advisers and legal representatives of the City Council along with the Department of Corporation Counsel.

PROPOSAL 56 - Fire Chief; Establish a 5-year term of office for the Fire Chief.

PROPOSAL 57 - Transportation; Establish a new, temporary agency in the city to develop the new public transportation system to be funded by the tax surcharge.

PROPOSAL S-9 - Department of Transportation Services - Revise Powers, Duties and Functions; Promote pedestrian- and bicycle-friendly city

The following individuals testified:

1. Randy Ching (S-9)
2. Scott Snider, Hawaii Bicycling League (S-9)

Written testimony:

1. Gustav Bodner (S-9 and 45)
2. Chris Cramer (S-9 and 45)
3. Dolan Eversole (S-9)
4. Steven Tom (S-9)
5. Kai White (S-9)
6. Hawaii Bicycling League (S-9)
7. Melody Kapilialoha MacKenzie, Esq. (45)

Randy Ching testified in support of Proposal S-9. He stated he would like to see Honolulu be a bicycle-and-pedestrian friendly city. He commented he thinks it should be in the City Charter as an expression of how people would like to get around other than automobiles. He went on to say he thinks they really need to take a look how people get around and not think about automobiles which he knows needs a lot of planning and public input. Mr. Ching commented the city really needs to think about how people get around and how the city is being designed. Bicycling is becoming a little bit harder as well. He stated he spoke to the Director of the Hawaii Bicycling League and she also commented that even experienced bicyclists find it dangerous to bicycle. He went on to say that he would like to see Proposal S-9 move on to the ballot to express that there are other alternatives to automobiles and wants to make it as safe as possible for bicyclist and pedestrians. Commissioner Mikulina asked Mr. Ching if he is a bicyclist? Mr. Ching responded yes. Commissioner Mikulina then asked Mr. Ching if he has ever been hit on his bike before. Mr. Ching responded almost, many times.

Scott Snider testified in support of Proposal S-9. He commented they notified 1,500 members twice about the Charter Commission's Community meeting. He commented it's really the citizens' problem to decide if they are going to attend the meetings or not. He went on to say it's not the way the Commission is doing their business but it's the people's decision to show up. He thanked the Commission for going out to a nearby community that he could get to easily attend. He went on to say HBL would like to see bicycling as another form of alternative for transportation. Mr. Snider cited to a copy of the Bike Plan Hawaii that has both State and City projects adopted in 2003 which is a bicycle master plan. There are projects that were adopted that have not started construction yet. He commented Proposal S-9 proposes the potential funding source and the potential backing the City needs and HBL needs to get the bike plan Hawaii built and not just a document on the internet, and make it safe for kids, those who want to travel by bicycle to not be run off the road. He thanked the Commissioners for being there. He commented he thinks this proposal is very important and offered his assistance to answer any questions about cycling. He stated they need this Charter Amendment to get City projects built along with the State's HB2075 to get state projects built.

Chair Takaki asked Mr. Snider from their own membership does he feel there would be more significant use of their bikes if this Charter Amendment were to occur? Mr. Snider responded in the affirmative and have gotten people in his committee members who are not experienced who would feel more comfortable riding. Mr. Snider commented he's overheard people out on the streets who are afraid to ride because it's too dangerous but if it was safer they would.

B. Planning, Zoning, and Environment

PROPOSAL 7 - Sustainable Community Plans and Development Plans.

PROPOSAL 21 – Planning and Zoning; Establish urban growth boundaries and agricultural protection zones.

PROPOSAL 22 - Planning Commission; Restore the position of Executive Secretary.

PROPOSAL 32 - Planning Commission; Establish deadlines for Mayor and City Council to act on certain Planning Commission recommendations.

PROPOSAL 47 – Planning and Zoning; Establish urban growth boundaries.

PROPOSAL 69 - Planning and Zoning; Require 2/3rds vote for Planning Commission and City Council before agricultural land can be converted to urban use.

PROPOSAL 71 - Department of Environmental Services; Require the Director to develop and administer a curbside recycling program.

PROPOSAL 96 - Environmental Bill of Rights; Add new article with an "environmental bill of rights" for current and future residents.

PROPOSAL 98 - City Buildings and Department of Design and Construction; Require City Council to adopt green building standards for city buildings, revise Department of Design and Construction duties to comply with green building standards.

PROPOSAL 99 - Development Plans and Zoning; Require that when an acre of land is converted from agricultural or preservation designations, an acre of land will be converted to those designations, ensuring no net loss of agriculture or preservation lands.

The following individuals testified:

1. Dean Uchida, Executive Director, Land Use Research Foundation (7, 21, 32, 47, 69 and 99)
2. Glen Oamilda (47 and 69)
3. Gary Okino, Councilmember, Honolulu City Council (47)
4. Scott Snider (47)

Written testimony:

1. Gustav Bodner (21, 47, 69, 71, 96 and 98)
2. Chris Cramer (21, 47, 69, 71, 96, 98 and 99)
3. Dolan Eversole (69 and 71)
4. Jim Tollefson, President, Chamber of Commerce of Hawaii (21, 32, 47, 69 and 99)
5. Dean Uchida, Executive Director, Land Use Research Foundation (7, 21, 32, 47, 69 and 99)
6. Steven Tom

7. Paul T. Oshiro, Manager – Government Relations, Alexander & Baldwin, Inc. (21, 47, 69 and 99)
8. James Wright, President/CEO, Century 21 All Islands (99)
9. Gary Okino, Councilmember, Honolulu City Council (47)

Dean Uchida testified in opposition to Proposals 7, 21, 32, 47, 69 and 99. He commented a lot of the land use proposals they feel have merit for discussion but doesn't feel it's appropriate to be elevated to the level of the Charter. He commented some of these are more appropriate at an ordinance level or general plan level. He went on to say a lot of the proposals talk about smart growth or other things to try and increase density in the urban core, their concern is it is part of the comprehensive land planning or growth management tools. He stated it is the responsibility on government to provide the infrastructure to accommodate that type of growth. He went on to say when looking at smart growth as a tool, it's a corresponding responsibility on the City to make sure that they can accommodate growth in areas they want and if there's urban sprawl. Mr. Uchida stated they would also like to talk about the discussion about preserving agricultural land. He stated a lot of the proposals talk about preserving urbanization and agricultural lands. He commented the City is very good at doing municipal planning for urban and rural areas but they lack in the expertise or resources in the area of agriculture. He mentioned a couple of years ago they helped to assist with the Ag/Real Property Tax. He stated the City was using Ag Comp sales to set the values for agricultural lands. Mr. Uchida stated it to 8-9 months to resolve the Hokulia Project. He commented if you are a farmer or representing a farmer and you are having problems in your agricultural land whom do you see in the City? There is no agency to handle agricultural issues most would call the Mayor or their Councilman. He went on to say looking at the proposals that are being asked to be a charter amendment, the question whether the City has the in house expertise to manage the natural resources and agricultural lands. Mr. Uchida stated one of the ideas they had is if that's they case and the Commission wants to do that then maybe they need to break up the Department of Agriculture at the State level and put it down at the County level. He commented he thinks the main point is to see what the city is good at and if they would be able to handle it if it's going to be part of the Charter.

Chair Takaki asked Mr. Uchida to elaborate a little further on his written testimony he submitted on the problems he sees on Proposal 32. Mr. Uchida responded they way they see it is the Planning Commission has the role and responsibility to make recommendations to the Mayor and the City Council and then the Administration takes that recommendation and does something with it. He commented the way the proposal is worded it's elevating the Planning Commission's recommendation to an action that has to be taken by the Mayor as opposed to just being advisory or a recommendation. He went on to say so its elevating the Planning Commission to the level of meting out action as opposed to providing advice or recommendation to the administration

Commissioner Mikulina commented Mr. Uchida stated there is no expertise at the City and County level.. Commissioner Mikulina asked Mr. Uchida how does he see these amendments requiring it? One of the amendments for example, the Urban Growth Boundaries would simply require one additional vote to take land out of Ag and put it into urban. Would that require expertise? If so couldn't the County just consult with DOA?

Mr. Uchida responded some of the proposals are not limited to Urban Growth Boundaries, some deal with land preservation as justification for drawing the line. He stated what they are saying is if they are going to use agriculture as a rationale for protection or classification in some way, the City needs some expertise in that area. The real property tax situation really hurt the farming community on Oahu and it took a long time to fix. He went on to say before they enter that discussion again and as part of this planning process they might want to consider what to give as far as tools and resources to the County if they proceed with these charter amendments.

Glenn Oamilda testified in favor of Proposals 47. He stated there is not enough insight in the planning and going on the Ewa Plains and thinks there's been a lot of development, developers, politician, government that have planned without public oversight. He went on to say he's concerned about the Ewa Development plan that was adopted in 1997 and should have gone for review in 2002 but it hasn't been subjected to public oversight. Mr. Oamilda commented it may be in the Planning and Permitting they should fix it up and bring it to the public's attention. He stated he thinks as they seen government have gone into unilateral agreements with the developers and thinks that's wrong. He commented he thinks there should be at least a sunset on the unilateral agreements or public oversight and thinks the way things have gone on the Ewa Plain, he thinks one of the problems is lack of oversight. He went on to say he thinks there has to be a comprehensive planning process on the Ewa region so they can have some input on development and how things are planned out in the region. Mr. Oamilda also thinks is real important as pertains to the Planning and Permitting is the acceptance of an overall development plan which he thinks should be in increments subject to public oversight.

Chair Takaki asked Mr. Oamilda if he feels Proposal 47 main reason why he feels is necessary is to give more input to the public in terms of those patterns and development? Mr. Oamilda responded yes. Chair Takaki asked if Mr. Oamilda has tried to participate before? Mr. Oamilda responded yes he has. He commented he has been involved with the community for the last 25-30 years. He stated he thinks individual developments that happen on the Ewa Plain are not subject to comprehensive planning.

Councilmember Okino testified in support of Proposal 47. He commented he agrees that some of the other Planning Proposals may not be appropriate for the Charter. He stated there is a lot of misunderstanding going around on why Proposal 47 may not be appropriate and tried to explain it in his written testimony and suggested the Commissioners to look at it very carefully. He went on to say Proposal 47 does two things, first it requires the Director of the Department of Planning and Permitting (DPP) to initiate a bill for an ordinance to establish the urban growth boundaries. Then after enactment of that ordinance, any changes to that ordinance would require a two-thirds vote. Councilmember Okino stated he attached an proposed ordinance to Proposal 47, which he submitted, which also included Ag protection zones but has amended to give a description of what growth boundaries are. He stated he is not looking for Ag protection zone but the important thing is the distinctions or differentiation on boundary and open space. He commented it's not totally a matter of helping agricultural although the more land they take away from agriculture, the less opportunities for agriculture. He goes on to say the basic point is to deal with development and contain development to prevent urban sprawl. Councilmember Okino commented the arguments about this not being

appropriate to the charter and he read Professor's Callies arguments and does agree with most of them. He pointed out land use regulations are appropriate for the Charter which enables legislation for the general plan and within the general plan are the development plans and the sustainable communities plan. Within that are the zoning ordinances and within that is subdivision. He went on to say these are much more detailed than an urban growth boundaries, in fact urban growth boundaries has already been proposed in the development plans and the sustainable communities plan. Councilmember Okino stated the bill he attached to the Proposal was an attempt by Council to do this by ordinance, which is suggested by Professor Callies and several others. He stated during that process Corporation Counsel advised them that this is more appropriate to be done in the Charter. He commented the problem is this Proposal will require the adoption of an ordinance to set up the urban growth boundaries. He went on to say the thing they need to put in the charter is the two-thirds vote requirement to make an amendment. Councilmember Okino stated they were told that it was more advisable to establish that in the Charter because the Charter allow all decisions to be made by majority and it specifies those instances that needs a two-thirds vote or supermajority to vote anything in. He stated they are following the format of what's in the charter. He commented they can enable it with some suggestions in the general plan with specific wording but the need some type of specific wording to establish urban growth boundaries in the boundaries before they can give it the two-thirds vote. He commented the reason growth boundaries are important is because it sets limits to development. He went on to say the thing about growth management is they are making a conscious effort to create efficient compact development and that's what the growth boundaries are all about. Councilmember Okino commented in the Ewa are now there are 39,000 homes and there's still enough supply for 50 years of development. He commented in 25 years they are projections that the housing would increase from 39,000 today to 93,000. He commented in the past it was easy for developers and landowners to expand the boundaries and it is in their interest to take some of their agricultural land and open space land and turn in into land that is authorized for development because it's a great windfall for landowners. He goes on to say they need to find a balance in controlling development and dealing with pricing of housing. Councilmember Okino stated up until 1990 they were totally driven by landowner and developer desires where they basically planned development where the developers and landowners wanted developed and they didn't see a good pattern which urban sprawl developed. He stated the 1992 Charter Commission said that's enough and they are going to control and be proactive on the way they are direct, limit and configure development. During that process the urban growth boundaries became a very important concept and was adopted in the sustainable communities plans and development plans with wording that this was to be a semi-permanent or a hard boundary to change so they do have some earnestness in focusing and concentrating development and making the best use of land possible. He stated the two-thirds vote doesn't mean they are not going to expand the boundaries but they have earnestness before they expand the boundaries.

Commissioner Mikulina asked Councilmember Okino the ordinance for the urban growth boundaries if it was similar to the proposal if it was simply a two-thirds vote or was it some other oversight? Councilmember Okino responded they created some criteria basically telling when they can consider expanding the boundaries. Although that has been abolished.

Commissioner Myers asked Councilmember Okino for clarification regarding the two-thirds vote. Is it two-thirds vote of the 9 Councilmember or two-thirds of those present at the meeting? Councilmember Okino responded it's the total membership of 9 Councilmembers.

Councilmember Hirano commented the way she reads the Proposal is it's asking for one more vote. She asked if he wanted to do a charter amendment for one additional vote? Councilmember Okino responded yes. She then asked if was difficult to get? Councilmember Okino responded it depends on the issue.

Scott Snider testified in support of Proposal 47. He commented he knows that infrastructure runs between \$200-300 thousand per acre right now for dense housing and that's why Proposal 47 is important. He stated the City and County are having trouble with what they have in terms of capacity. He commented they couldn't handle the amount of sewer they have now in terms of the capacity and the age of the system with all the overflows and the amount of times.

Chair Takaki asked to take a five-minute break. Commissioner Hirano moved to take a 5-minute break. Commissioner Lendio seconded that motion. No discussion followed.

RECESSED at 7:16p.m.

RECONVENED at 7:29p.m.

C. Ethics

PROPOSAL 28 - Ethics Commission; Allow the Ethics Commission to impose civil fines.

PROPOSAL 30 - Ethics, Charter Commission, Reapportionment Commission; Include the members of the Charter and Reapportionment Commissions as city officers for purposes of the ethics laws.

PROPOSAL 31 - Impeachment; Provisions re impeachment of elected officials are invalid; options to correct the charter.

PROPOSAL 41 - Standards of Conduct; Codify within the charter existing state law and provide uniform standards of conduct within all city entities.

The following individuals testified:
NONE

Written testimony:

1. William Woods-Bateman, Oahu County Committee of the Democratic Party of Hawaii (41)

D. Budget, Council, and Other Procedures

PROPOSAL 1 - Salary Commission; Amend provision regarding Council review of Commission findings.

PROPOSAL 34 - Budget; Administration and enforcement of the executive capital budget ordinance -- lapse in 12 rather than 6 months.

PROPOSAL 52 - Budget; Require that the Mayor sign a budget bill before exercising line item veto authority.

PROPOSAL 53 - City Council; Allow the Council to designate which Councilmember will serve as Council chair and presiding officer pro tempore when both the chair and vice-chair are absent or disabled.

PROPOSAL 54 - Ordinances; Clarify that amendments to existing codified ordinances may be made by the City Council by reference to the codified provisions, rather than by reference to the numbered ordinances that may be enacted.

PROPOSAL 91 - Property Taxes and New Fund; Set aside one-half percent (1/2%) of real property tax revenues for land and natural resources protection and one-half percent (1/2%) of real property tax revenues for affordable housing.

PROPOSAL S-10 - Public notices; Distribution of public notices via a widely accessible electronic medium.

The following individuals testified:

1. W. Michael Sessions, President, Hawaii Habitat for Humanity
2. Guy Tajiri, Chair, Honolulu Salary Commission (1)

Written testimony:

1. Gustav Bodner (91)
2. Chris Cramer (91)
3. Dolan Eversole (91)
4. Betty Lou Larson, Housing Program Director, Catholic Charities of Hawaii (91)
5. Guy Tajiri, Chair, Honolulu Salary Commission (1)
6. Kilikina Mahi (91)
7. Laure Dillon (91)
8. Gail Kaito (91)
9. OHA (91)
10. Larry McElheny (91)
11. W. Michael Sessions, President, Hawaii Habitat for Humanity

W. Michael Sessions testified in favor of Proposal 91. He stated the Leeward Habitat for Humanity is in favor of affordable housing and suggested that they be a part of where that

money would go and what would be done with it if it were put into a fund. He commented one of the things about Habitat for Humanity that would make them a good partner is that all of the homes they build are for very low-income families, 50% of median and below. He stated they also put together a program for them for financing and they administer back a loan for them. Mr. Sessions stated it's not a gift and they pay for their loan on a no interest loan. He commented their homes are built with a combination of their family putting in a required 500 hours of sweat equity hours of construction of their homes. They also do it with Community volunteers such as business, government organizations, churches, lots of different groups go out and support their builds and it takes them about 3-4 months to build a home usually working on Saturdays only. He went on to say they have done about 200 homes statewide and part of the reason for not doing more is because of funding to doing more. Mr. Sessions stated they raise their funds through events, grants and different programs so they support this program. He commented he doesn't know any organization that could build a home less expensively than Habitat for Humanity who could be an 1100 square foot home for a price of \$65,000 to complete on Oahu. He went on to say it's very difficult today and it would usually cost twice that amount but they do it because of the donated labor and a lot of the donated materials. Mr. Sessions stated they are testifying tonight because they think they do need to address affordable housing and applaud the Commission for discussing this issue. He commented he it's one thing to talk about it and it's one thing to have a way to be able carry it out and he hopes they can be part of that way to carry it out as the Commission moves forward he would like the Commission use their name as one of the people who would be involved in that fund and be able to use the money. He went on to say they also feel it is a way to deterring homelessness by offering them a way to get into something they can afford. Mr. Sessions stated Habitat for Humanity's monthly payments are average about \$300 a month for someone who buys a home and that's about half or less than of what they would be paying in rent.

Commissioner Tom asked Mr. Sessions regarding his statement that they provide loans to their families. Commissioner Tom asked Mr. Sessions why loans instead of granting them the money? Mr. Sessions responded for their program they have a "fund for humanity" so when they get their home, they raise the money from different sources and then they give them a 20 year mortgage and as they pay that mortgage back into their building fund to help another family. Commissioner Tom stated it's like a revolving fund. Mr. Sessions responded it's like a revolving fund so that one gift just doesn't help just one family but continues to help over and over again.

Chair Takaki asked Mr. Sessions if he knew how many families the ½% could help? Mr. Sessions responded he tried to quantify that number. He stated their hope was that they don't want one group to sponsor one whole house but their thought is to spread it and have lots of people involved in it. He went on to say they would hoping around \$20,000 a house would go to Habitat for funding and they would use other groups to match that and use that like the seed money to go out to say if the City can do this and you do this and they do that then we're all helping families. Mr. Sessions commented he thinks that works better than trying to fund the whole thing with one program with one fund. Mr. Sessions stated he doesn't know what that number is actually as far as ½% of all that revenue would be. He stated the number they used with the State Legislature was \$4,000,000 which represented 200 homes at \$20,000 per home and they felt that was a 4-5 year

program building wise. He commented part of it is building the house the other part is finding somewhere to build that house. He went on to say what Habitat is doing right now is they are buying land. He noted on some of the other islands they have the exclusionary zoning where they have to use 20% for affordable housing. What some of the groups are doing actually giving people like Habitat money in lieu of having to put the housing in their development they give them money for which they can go out and buy their land and put the infrastructure in and accomplish the affordable housing need by doing it through that program. Mr. Session stated the Leeward Habitat has a piece of property in escrow and are in line for a CDBG grant for them for their infrastructure to develop a 28-lot subdivision in Waianae. He commented that would be their program if they got involved in here to use the money to acquire land and to put in the infrastructure as well as build a house. A lot of the families they do help are tear downs where their homes are in terrible state of repair and they don't have the income to fix it and it's gotten to the point that termites own more of it than they do so they have been the answer.

Guy Tajiri testified in favor of Proposal 1. He noted he stands on his written testimony. He commented attached to his testimony is a spreadsheet of "Comparison of Council Chair and Council member pay rates for the City County of Honolulu and County Jurisdictions." He went through the spreadsheet started from 1995 – 2005 and contained Maui, Hawaii and Kauai counties Council Chair and Councilmember salaries. He compared City and County of Honolulu and Maui County Council Chair and Councilmember salaries. Beginning 1995-1996 the salaries for the City and County of Honolulu Council Chair and Councilmembers were significantly higher than those of Maui County. But looking over the 11-year period throughout the spreadsheet in 2005, Maui County's Council Chair and Councilmembers pay exceeds those of the City and County of Honolulu. He went on to say the pay increases throughout the 11-year period and if they look at the total percentages, over the course of the 11-year period the percentage for the City and County of Honolulu the total increase for Council Chair was 10.7% and Councilmembers was 17.1%. Mr. Tajiri stated looking at the Maui Council over that same period of time, the Council Chair salary increased 62.9% and Councilmembers increased 71.5%. He commented the Maui Charter gives full authority of the Salary Commission to set the salaries for both elected and appointed officials. Mr. Tajiri commented Proposal 1 would give the Salary Commission for the City and County of Honolulu similar considerations where they would set the salary and they would take out Council out of the process of giving their approving or rejecting recommendations by the Salary Commission. He asked the Commissioners to pass out this proposal and place it on the November 2006 ballot.

Commissioner Mikulina asked Mr. Tajiri if he should expect Council's salaries increase if this was to pass because by looking at the spreadsheet they were some how intimidated over the past 10 years because they are nervous about giving themselves raises? Mr. Tajiri responded yes and if they were to put themselves into their shoes, it's difficult throughout the year especially for the City and County of Honolulu where they are facing deficit in the budget to give themselves a pay increase as well as the administration a pay increase and at the same time they are cutting taxes, property tax, fuel tax, etc. He commented they would like to remove the politics out of the process. He commented he's not saying that the Maui Council Chair, Maui Councilmembers don't deserve these salaries but it's sad when they compare the City and County of Honolulu to Maui County

looking at the demographics, spoke, population, services they provide he thinks they deserve a lot more.

Commissioner Myers asked if this would remove any checks and balance in the process? They're being a high trust level of the Salary Commission in order to remove any kind of rejections. Mr. Tajiri responded he doesn't think so and that they are like any other Salary Commission for the other counties. He stated they do a thorough review and study of relationships between bargain unit employees, excluded managerial, confidential employees and make sure if there's a relationship there. They also make comparison with neighboring counties to see where they fall. Mr. Tajiri commented there may be a question such as what Commissioner Myers is posing to Mr. Tajiri this evening but as a Commissioner for the past four years, he doesn't believe so.

Commissioner Coffee asked Mr. Tajiri how is the Salary Commission appointed for Oahu? Mr. Tajiri responded there are 7 Salary Commissioners, 3 appointed by the Mayor, 3 appointed by the Council and 1 appointed by the Mayor and confirmed by the Council which is in accordance of the Charter.

E. Elections and Representation

PROPOSAL 5 - Elections; Eliminate the first special election when there are only two candidates for an office.

PROPOSAL 9 - Neighborhood Commission; Establish direct relationship between Commission and Executive Secretary

PROPOSAL 13 - Neighborhood Commission; Revise the Powers, Duties and Functions of the Neighborhood Commission.

PROPOSAL 55 - Term Limits; Re term limits for Councilmembers.

PROPOSAL 61 - Councilmember terms; Change the beginning time of the terms of Councilmember.

PROPOSAL 86 - City Council; Increase the number of members on the City Council from 9 to 11 or 13.

The following individuals testified:

1. Glenn Oamilda (86)
2. Joe Davis (86)

Written testimony:

1. Charles Prentiss, Oahu County Committee Democratic Party of Hawaii (86)
2. William Woods-Bateman, Kalihi Valley Neighborhood Board (9, 13)

Mr. Oamilda asked to go back to Category B and testified in support of Proposal 69. He stated they are concerned in his community in the Ewa Plains about the growth rate. He

commented there should be a comprehensive planning which they could consider as a smart growth plan and also sustainable growth which the community government developers sit and decide how planning should be implemented on the Ewa Plains. Chair Takaki asked Mr. Oamilida if he would be testifying on any of the items in Category E? Mr. Oamilida responded yes and wanted to show his support for Proposal 69. Mr. Oamilida stated he is in favor of Proposal 86. He commented it's becoming tougher now and think it should be changed from 9 to 11, 13 and in some cases maybe 15. He went on to say the way the growth is on the island, the accessibility of Councilmembers are not there as they have so much territory and encompass and the public want that support and accessibility to government. Mr. Oamilida commented accessibility is the big question right now and he feels this should be put on the ballot to change the amount of Councilmembers.

Joe Davis testified in support of Proposal 86. He commented he moved to Hawaii from the Mainland 5 years ago and thought it was strange it was called City and County as in the Mainland they have a City and then a County with County Commissioners. He went on to say maybe it came from the olden days. Mr. Davis commented he feels to do the island right the way the mountain has the back bone it would make sense to have three counties. He compared the Mainland's counties to Oahu's county, which encompasses the entire island. He commented maybe there should be 15 Councilmembers and it would be absolutely critical.

Chair Takaki asked Researcher Nikki Love to find out the average district size for Councilmembers in other jurisdictions.

F. Housekeeping Amendments

PROPOSAL 51 - Department of Customer Services; Include the Director of Customer Services as a department head who must be nominated by the Mayor, with the advice and consent of the Council, and may be removed by the Mayor.

PROPOSAL 75 – Ethics Commission; Include the prohibition against Ethics Commissioners taking an active part in political management or political campaigns set forth in the Hawaii Constitution Article XIV.

PROPOSAL 76 – Police; Delete prohibition of political activities by police department employees.

PROPOSAL 77 – Royal Hawaiian Band; Delete the reference to Royal Hawaiian Band in "Appointment, Confirmation and Removal of Officers and Employees".

PROPOSAL 78 – Civil Defense Agency; Delete the reference to Civil Defense Agency in "Appointment, Confirmation and Removal of Officers and Employees".

PROPOSAL S-6 - Petitions; Delete requirement of Social Security numbers on petitions.

The following individuals testified:

1. William Woods-Bateman (76, S-6)

Written testimony:

NONE

William Woods-Bateman testified that Proposal 76 is covered by Proposal 41. He stated Proposal 41, which is the Standard of Conduct, covers all of those issues for any person whose involved in the City has the right to political activities as long as their authority, their position or the City resources to do that so it would address that issue and they wouldn't need to pass Proposal 76 and feels it would be a good idea to pass out Proposal 41. Mr. Woods-Bateman commented for Proposal S-6 he would assume there's a federal law that prohibits the use of Social Security numbers now but if it actually is happening now then they need this provision. But if they were not doing that because of administrative rulings and saying federal law some other statute saying they can't do that and they are not doing that that would not be necessary on the ballot. He went on to say if they are actually doing this for the City and County for anything, they should remove Social Security numbers. He suggests they review that legally and find out if has already been taken off and if it is than it's not necessary.

4. Announcements

Chair Takaki asked Executive Administrator Narikiyo if they were going to discuss future meetings? Executive Administrator Narikiyo stated on the agenda for the next week's meeting which needs to be filed tomorrow he intends to put a discussion and a proposed set of dates for future meetings. Chair Takaki asked the Commissioners present to look at the tentative calendar as there are a lot of things the Commission needs to do before going to the ballot.

5. Next Meeting Schedule

Tuesday, April 4, 2006 at Hahaione Elementary School.

6. Adjournment

Commissioner Lendio moved to adjourn. Commissioner Hirano seconded the motion. Meeting was adjourned at 8:01p.m.